

AMENDED IN SENATE JUNE 13, 2012

AMENDED IN ASSEMBLY MARCH 21, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 174

Introduced by Assembly Member Monning

January 24, 2011

An act to add Section ~~130280.5~~ 12803.2 to the ~~Health and Safety~~ Government Code, relating to ~~health information~~ state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 174, as amended, Monning. ~~Health information exchange. Office of Systems Integration: California Health and Human Services Automation Fund.~~

Existing law establishes the Office of Systems Integration and requires that office to implement a statewide automated welfare system for specified public assistance programs.

This bill would establish the California Health and Human Services Automation Fund within the State Treasury and would, upon appropriation by the Legislature, expend specified moneys deposited into the fund for services rendered by the office. Certain funds would only be transferred to the fund upon order of the Department of Finance, as specified.

~~Existing law establishes the Office of Health Information Integrity within the California Health and Human Services Agency to ensure the enforcement of state law mandating confidentiality of medical information and to impose administrative fines for the unauthorized use of medical information. Existing law authorizes the office to establish and administer demonstration projects to evaluate potential~~

~~solutions to facilitate health information exchange that promote quality of care, respect the privacy and security of personal health information, and enhance the trust of the stakeholders.~~

~~This bill would require the system of electronic health records developed based on the demonstration projects established pursuant to these provisions to be implemented with the full participation of health consumers and organizations concerned with protecting the privacy and security of patient information in the development of policies, and would require the office to ensure that there are opportunities for public comment and input on the development of those policies.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 12803.2 is added to the Government Code,*
2 *to read:*

3 *12803.2. (a) There is hereby established in the State Treasury,*
4 *the California Health and Human Services Automation Fund. The*
5 *moneys in the fund shall be available upon appropriation by the*
6 *Legislature for expenditure by the Office of Systems Integration,*
7 *established pursuant to Section 12803.3, for support of that office.*

8 *(b) The fund shall consist of the following:*

9 *(1) All moneys appropriated to the fund in accordance with law.*

10 *(2) The balance of all moneys available for expenditure by the*
11 *Systems Integration Division of the Office of Technology Services.*

12 *(3) An amount of funding transferred from the Department of*
13 *Technology Services Revolving Fund to this fund determined by*
14 *the Department of Finance.*

15 *(4) Funds appropriated to the State Department of Social*
16 *Services in the annual Budget Act for the management, including*
17 *as needed, procurement, design, development, testing,*
18 *implementation, oversight, and maintenance, of the following*
19 *projects shall be transferred to this fund upon order of the*
20 *Department of Finance:*

21 *(A) Statewide Automated Welfare System (SAWS) including*
22 *WCDS, C-IV, LEADER, LRS, and the migration of C-IV to LRS*
23 *pursuant to Section 10823 of the Welfare and Institutions Code,*
24 *as amended by Section 9 of Chapter 13 of the First Extraordinary*
25 *Session of the Statutes of 2011.*

1 (B) Child Welfare Services/Case Management System
2 (CWS/CMS).

3 (C) Electronic Benefit Transfer (EBT).

4 (D) Statewide Fingerprinting Imaging System (SFIS).

5 (E) Case Management Information Payrolling System (CMIPS)
6 Reprourement.

7 (5) (A) Funds appropriated to the Employment Development
8 Department in the annual Budget Act for the management,
9 including procurement, design, development, testing,
10 implementation, oversight, and maintenance, of the Unemployment
11 Insurance Modernization project shall be transferred to the fund
12 upon order of the Department of Finance.

13 (B) On or before full expenditure of federal Reed Act funds, the
14 Department of Finance and the Employment Development
15 Department shall determine the appropriate timeframe to transfer
16 the project management and the associated resources for the
17 Unemployment Insurance Modernization Project to the
18 Employment Development Department.

19 (6) Funds appropriated to the Department of Health Care
20 Services and the Managed Risk Medical Insurance Board in the
21 annual Budget Act for the management, including procurement,
22 design, development, testing, implementation, oversight, and
23 maintenance, of the California Healthcare Eligibility, Enrollment,
24 and Retention System shall be transferred to the fund from the
25 Department of Finance.

26 (7) Funds from the California Health Benefit Exchange may be
27 transferred upon order of the Department of Finance pursuant to
28 an interagency agreement between the California Health Benefit
29 Exchange and the Office of Systems Integration to support the
30 California Healthcare Eligibility, Enrollment, and Retention
31 System.

32 ~~SECTION 1. Section 130280.5 is added to the Health and~~
33 ~~Safety Code, to read:~~

34 ~~130280.5. (a) The Legislature finds and declares all of the~~
35 ~~following:~~

36 ~~(1) The primary purpose of the implementation of electronic~~
37 ~~health records is to ensure that the system is designed to enhance~~
38 ~~patient treatment and outcomes.~~

39 ~~(2) Patient trust is essential to patient acceptance of a system~~
40 ~~of electronic health records, and thus establishing patient trust is~~

1 necessary in order for the system to enhance patient treatment and
2 outcomes.

3 ~~(3) Protection of patient privacy and security, which is~~
4 ~~epitomized by doctor-patient confidentiality, is essential in building~~
5 ~~patient trust.~~

6 ~~(b) The system of electronic health records developed based on~~
7 ~~the demonstration projects established pursuant to this division~~
8 ~~shall be implemented with the full participation of health~~
9 ~~consumers and organizations concerned with protecting the privacy~~
10 ~~and security of patient information in the development of policies,~~
11 ~~and the office shall ensure that there are opportunities for public~~
12 ~~comment and input on the development of those policies.~~